

**MINUTES OF THE JUNE 5, 2006
CHINCOTEAGUE TOWN COUNCIL MEETING**

Council Members Present:

John H. Tarr, Mayor
Nancy B. Conklin, Vice Mayor
Terry Howard, Councilman
Ronald Mason, Councilman
Ellen Richardson, Councilwoman
E. David Ross, Councilman
Glenn B. Wolffe, Councilman

1. *Call to Order.*

Mayor Tarr called the meeting to order at 7:30 p.m.

2. *Invocation.*

Councilman Howard offered the Invocation.

3. *Pledge of Allegiance.*

Mayor Tarr led the Pledge of Allegiance.

4. *Approval of Minutes of the May 1, 8 and 18, 2006 Council Meetings.*

Councilman Wolffe motioned, seconded by Vice Mayor Conklin, to approve the minutes as presented. The motion was unanimously approved.

5. *Introduction of Town Manager.*

Mayor Tarr introduced Mr. Robert G. Ritter, Jr. as the new Town Manager. Council and the public welcomed Mr. Ritter to the staff.

6. *Public Hearing – Fiscal Year 2007 Budget.*

Mayor Tarr opened the public hearing at 7:38 pm.

After hearing no comments, Mayor Tarr closed the public hearing at 7:41 pm.

Mayor Tarr stated that action on the FY 2007 budget will take place at the June 15, 2006 recessed Council meeting.

7. *Council Information Items.*

- Vice Mayor Conklin asked about the status of the letter that was sent to the USDA Rural Development questioning negotiated water rates with the Town of Onancock after the Town had been refused the same opportunity. Mr. Jeffries replied that Mr. Walpole of Congresswoman Drake's office has responded to the matter. He added that the USDA Rural Development was still inflexible regarding the water rates.

- Town Attorney Poulson asked about the \$500,000 grant from DC&R for the acquisition of the School Board property. Mr. Jeffries responded that it has been a difficult process and that it will be two or three weeks before the grant monies are received.
- Town Attorney Poulson asked about the Water Facilities ordinance that he forwarded to the Ordinance Committee for review. Mayor Tarr responded that the Committee will meet on June 14th to review the proposed ordinance. Councilman Wolffe suggested combining the Ordinance and Harbour Committee meetings regarding the abovementioned item. The Committee members agreed to hold a joint meeting on June 14th at 6:00 pm. Councilman Mason asked Mr. Jeffries to contact the other members of the Harbour Committee and advise them of the change.
- Town Attorney Poulson stated that Council can meet with Mr. Will Cumming and Mr. Tim Holloway of VDOT on June 14th. Mayor Tarr stated that Council would like to meet with them and that he will verify the date and time of the meeting.

8. Committee Reports.

- **Planning Commission-** Councilwoman Richardson stated that the Commission met on May 23rd and will meet again on June 6th at 7:00 pm. She stated that the Sign Ordinance is the topic of discussion for both May meetings. Councilwoman Richardson announced that the planners, Redman/Johnston will meet with the public on June 28 and 29, 2006 at 7:00 pm.
- **Public Works Committee-** Councilman Mason stated that the Committee met on May 9th and discussed estimates for sewage treatment survey costs as well as the Student Government Day recommendations.
- **Curtis Merritt Harbor Committee-** Councilman Mason stated that the Committee met on April 16th and discussed the estimate of restrooms and breakwater repairs. He also stated that the Town received a \$200,000 grant from the Virginia Port Authority for the Harbor project.
- **Budget and Personnel Committee-** Vice Mayor Conklin stated that the Committee discussed four bids for the bond purchase and favored the bid from BB&T. She stated that the Committee agreed to set aside \$60,000 for the sewage treatment feasibility study. Vice Mayor Conklin stated that the Committee has made recommendations regarding trash cutbacks and insurance which will be discussed later in the Council meeting.
- **Chincoteague Recreation and Convention Center Authority-** Vice Mayor Conklin stated that the Wild West Show has been cancelled due to a performer's injury and that the Center's Craft Show was very successful. She also stated that Debby Boone will be performing at the Christmas Show this year.
- **Bicycling and Outdoor Recreational Advisory Committee-** Councilman Ross stated that the Committee met on May 10th and reviewed the plat of the property across from the high school. He added that they discussed possibly having a kayak park on that property. Councilman Ross stated that there was a discussion regarding placing small exercise stations around Memorial Park. Councilman Ross reported that he had received requests regarding transporting people to the Pocomoke YMCA via the Town's trolleys. He stated that Mr. Van Dame informed the requesters that the trolleys could not be used for transportation across the state line. Councilman Ross stated that the Committee also

discussed possible locations for the Waterman's Memorial. He announced that the next meeting will be in July.

- **Cemetery Committee-** Councilman Howard stated that the Committee met May 23rd and decided to clean some of the smaller cemeteries. He announced that the next meeting will be in September. Mrs. Donna Mason commended the Cemetery Committee and asked who owns the cemeteries. Mayor Tarr responded that her question should be discussed during public participation.

9. Public Participation.

- Mrs. Donna Mason asked who owns the cemeteries. Vice Mayor Conklin responded that she only knows the owner of one cemetery. Mrs. Mason reported on the severe erosion at the Bunting Cemetery. Councilman Howard responded that the Cemetery Committee will address the matter.
- Mr. Ray Rosenberger complimented the Budget and Personnel Committee for their efforts on the FY 2007 budget. He stated that he was concerned about employee retention due to rising insurance costs. Councilman Wolffe responded that staff was reviewing possible alternatives to the current health care plans.
- Mrs. Jane Wolffe stated that she appreciated the local YMCA support, including those who helped with the mailings and who have contributed donations to the local YMCA fund.
- Mr. Willis Dize reiterated his concern about the rising cost of health insurance. He also questioned why the Police Department phone number was posted on the trolley signs, which will ultimately increase the department's workload. Mayor Tarr responded that the Police Department's number was posted for emergency issues and so that handicapped patrons could give a location to be picked up by the trolley [because the Town Office closes at 5:00 pm]. Mayor Tarr recommended to Chief Lewis that the Department monitor those calls and report back to Mr. Van Dame.

10. Adoption of General Obligation Bond Ordinance & Resolution.

Mayor Tarr stated that the Budget and Personnel Committee recommended that Council accept the bid from BB&T for the purchase of a two million dollar bond and explained the terms of the bond. He also stated that Council has held the public hearing as required.

Councilman Wolffe motioned, seconded by Vice Mayor Conklin, to adopt the following General Obligation Bond Ordinance and Resolutions. All Council members were in attendance; the motion was unanimously approved.

RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND AWARD OF A \$2,000,000 GENERAL OBLIGATION PUBLIC IMPROVEMENT BOND, SERIES 2006, OF THE TOWN OF CHINCOTEAGUE, VIRGINIA, HERETOFORE AUTHORIZED, AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF

WHEREAS, on June 5, 2006, the Town Council (the "Town Council") of the Town of Chincoteague, Virginia (the "Town"), adopted an ordinance authorizing the

issuance of general obligation public improvement bonds in the maximum principal amount of \$2,000,000 to finance improvements to the water supply main (the "Project"), none of which bonds have been issued and sold;

WHEREAS, the Town's administration have recommended to the Town Council that the Town issue and sell its general obligation public improvement bonds through a private placement;

WHEREAS, the Town solicited proposals for the private placement of such bonds with a bank or other financial institution and four such proposals were received; and

WHEREAS, the Town's administration has recommended to the Town Council that the Town accept the proposal of Branch Banking and Trust Company (the "Bank"), dated May 12, 2006 (the "Proposal");

BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF CHINCOTEAGUE, VIRGINIA:

- 1. Issuance of Bond.** Pursuant to the Constitution and statutes of the Commonwealth of Virginia, including the Town Charter and the Public Finance Act of 1991, there shall be issued and sold a \$2,000,000 general obligation public improvement bond of the Town (the "Bond") to provide funds to finance the Project and such other public improvement costs as Town Council shall from time to time authorize and to pay the costs of issuing the Bond. The Bond shall be sold to the Bank pursuant to the terms of the Proposal and this Resolution.
- 2. Bond Details.** The Bond shall be in the form of a single, typewritten bond, designated "General Obligation Public Improvement Bond, Series 2006," shall be in registered form, shall be dated the date of its delivery, shall be numbered R-1 and shall be sold to the Bank at a price of 100% of the aggregate principal amount thereof. The Bond shall bear interest on the unpaid principal at the rate of 4.36% per year, calculated on the basis of a 360-day year of twelve 30-day months. Payments on the Bond shall be in monthly installments of combined principal and interest in the amount of \$15,157.15, commencing July 1, 2006, and ending on June 1, 2021. If the date on which any payment is due with respect to the Bond is not a Business Day (as hereinafter defined), the payment shall be made on the next succeeding Business Day. "Business Day" shall mean a day on which banking business is transacted, but not including a Saturday, Sunday or legal holiday, or any other day on which banking institutions are authorized by law to close in the Commonwealth of Virginia. Each installment shall be applied first to payment of interest accrued and unpaid to the payment date and then to principal. Principal and interest shall be payable in lawful money of the United States of America by check or draft mailed, or wire transferred, to the registered owner of the Bond at the address that appears on the registration books kept by the Registrar (as hereinafter defined), except that the final payment of principal and interest shall be made upon presentation and surrender of the Bond at the office of the Registrar.
- 3. Prepayment Provisions.** The Bond is subject to prepayment prior to maturity, at the option of the Town, in whole on any interest payment date, upon payment of the

principal amount of the Bond to be prepaid plus a redemption premium of 1% and interest accrued and unpaid to the date fixed for redemption.

4. Execution and Form of Bond. The Bond shall be signed by the manual signature of the Mayor or Vice Mayor and the Town's seal shall be affixed thereon and attested by the Town Clerk. The Bond shall be issued as a typewritten bond in substantially the form of Exhibit A attached hereto, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by the Mayor or Vice Mayor, whose approval shall be evidenced conclusively by the execution and delivery of the Bond.

5. Pledge of Full Faith and Credit. The full faith and credit of the Town are irrevocably pledged for the payment of principal of and premium, if any, and interest on the Bond. Unless other funds are lawfully available and appropriated for timely payment of the Bond, the Town Council shall levy and collect an annual ad valorem tax, over and above all other taxes authorized or limited by law and without limitation as to rate or amount, on all locally taxable property in the Town sufficient to pay when due the principal of and premium, if any, and interest on the Bond.

6. Registration, Transfer and Owners of Bond. The Bond shall be issued in registered form without coupons, payable to the registered holders or registered assigns. The Town Treasurer is hereby appointed paying agent and registrar for the Bond (the "Registrar"). The Town may in its discretion appoint at any time a qualified bank or trust company as successor Registrar. The Registrar shall maintain registration books for the registration and registration of transfers of Bond. Upon presentation and surrender of the Bond at the office of the Registrar, together with an assignment duly executed by the registered owner or his duly authorized attorney or legal representative in such form as shall be satisfactory to the Registrar, the Town shall execute and deliver in exchange, a new Bond having an equal aggregate principal amount, of the same form and maturity, bearing interest at the same rate, and registered in the name as requested by the then registered owner or his duly authorized attorney or legal representative. Any such exchange shall be at the expense of the Town, except that the Registrar may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The Registrar shall treat the registered owner as the person exclusively entitled to payment of principal, premium and interest and the exercise of all other rights and powers of the owner, except that interest payments shall be made to the person shown as owner on the registration books on the last Business Day of the month preceding each interest payment date.

7. Preparation and Delivery of Bond. The Mayor, Vice Mayor and Town Clerk are authorized and directed to take all proper steps to have the Bond prepared and executed in accordance with its terms and to deliver the Bond to the Bank upon payment therefor.

8. Arbitrage Covenants. The Town covenants that it shall not take or omit to take any action the taking or omission of which will cause the Bond to be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and regulations issued pursuant thereto (the "Code"), or otherwise cause interest on the Bond to be includable in the gross income of the registered owners thereof under existing law. Without limiting the generality of the foregoing, the Town shall comply with any

provision of law which may require the Town at any time to rebate to the United States any part of the earnings derived from the investment of the gross proceeds of the Bond, unless the Town receives an opinion of nationally recognized bond counsel that such compliance is not required to prevent interest on the Bond from being includable in the gross income of the registered owners thereof under existing law. The Town shall pay any such required rebate from its legally available funds.

9. Non-Arbitrage Certificate and Elections. Such officers of the Town as may be requested are authorized and directed to execute an appropriate certificate setting forth the expected use and investment of the proceeds of the Bond in order to show that such expected use and investment will not violate the provisions of Section 148 of the Code, and any elections such officers deem desirable regarding rebate of earnings to the United States for purposes of complying with Section 148 of the Code. Such certificate and elections shall be in such form as may be requested by bond counsel for the Town.

10. Limitation on Private Use. The Town covenants that it shall not permit the proceeds of the Bond or the facilities financed with the proceeds of the Bond to be used in any manner that would result in (a) 5% or more of such proceeds or the facilities financed with such proceeds being used in a trade or business carried on by any person other than a governmental unit, as provided in Section 141(b) of the Code, (b) 5% or more of such proceeds or the facilities financed with such proceeds being used with respect to any output facility (other than a facility for the furnishing of water), within the meaning of Section 141(b)(4) of the Code, or (c) 5% or more of such proceeds being used directly or indirectly to make or finance loans to any persons other than a governmental unit, as provided in Section 141(c) of the Code; provided, however, that if the Town receives an opinion of nationally recognized bond counsel that any such covenants need not be complied with to prevent the interest on the Bond from being includable in the gross income for federal income tax purposes of the registered owners thereof under existing law, the Town need not comply with such covenants.

11. Qualified Tax-Exempt Obligations. The Town designates the Bond as a “qualified tax-exempt obligation” for the purpose of Section 265(b)(3) of the Code. The Town represents and covenants as follows:

- (a) The Town will in no event designate more than \$10,000,000 of obligations as qualified tax-exempt obligations in calendar year 2006, including the Bond, for the purpose of such Section 265(b)(3);
- (b) The Town, all its “subordinate entities,” within the meaning of such Section 265(b)(3), and all entities which issue tax-exempt obligations on behalf of the Town and its subordinate entities have not issued, in the aggregate, more than \$10,000,000 of tax-exempt obligations in calendar year 2006 (not including “private activity bonds,” within the meaning of Section 141 of the Code, other than “qualified 501(c)(3) bonds,” within the meaning of Section 145 of the Code), including the Bond;
- (c) Barring circumstances unforeseen as of the date of delivery of the Bond, the Town will not issue tax-exempt obligations itself or approve the issuance of tax-exempt obligations of any of such other entities if the issuance of such tax-exempt obligations would, when aggregated with all other tax-exempt obligations theretofore issued by the Town and such other entities in calendar year 2006, result in the Town and such other entities having issued a total of more than \$10,000,000 of tax-exempt obligations in

calendar year 2006 (not including private activity bonds other than qualified 501(c)(3) bonds), including the Bond; and

(d) The Town has no reason to believe that the Town and such other entities will issue tax-exempt obligations in calendar year 2006 in an aggregate amount that will exceed such \$10,000,000 limit;

provided, however, that if the Town receives an opinion of nationally recognized bond counsel that compliance with any covenant set forth in (a) or (c) above is not required for the Bond to be a qualified tax-exempt obligation, the Town need not comply with such covenant.

12. \$5,000,000 Annual Bond Limitation. The Town represents and covenants as follows:

(a) Barring circumstances unforeseen as of the date of delivery of the Bond, the Town will not issue tax-exempt obligations itself or approve the issuance of tax-exempt obligations of any of its “subordinate entities,” within the meaning of Section 148(f)(4)(C) of the Code, and all entities that issue tax-exempt obligations on behalf of the Town and its subordinate entities, if the issuance of such tax-exempt obligations would, when aggregated with all other tax-exempt obligations theretofore issued in calendar year 2006 by the Town and such other entities, result in the Town and such other entities having issued a total of more than \$5,000,000 of tax-exempt obligations in calendar year 2006 (not including private activity bonds), including the Bond;

(b) The Town has no reason to believe that the Town and such other entities will issue tax-exempt obligations in calendar year 2006 in an aggregate amount that will exceed such \$5,000,000 limit; and

(c) At least 95% of the proceeds of the Bond shall be used for “local government activities” of the Town within the meaning of Section 148(f)(4)(C) of the Code; provided, however, that if the Town receives an opinion of nationally recognized bond counsel acceptable to the holder that compliance with any restriction set forth in (a) or (c) above will not prevent the Town from having to rebate to the United States any part of the earnings derived from the investment of the gross proceeds of the Bond, the Town need not comply with such restriction.

13. Other Actions. All other actions of officers of the Town in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Bond are approved and confirmed. The officers of the Town are authorized and directed to execute and deliver all agreements, certificates and instruments and to take all such further action as may be considered necessary or desirable in connection with the issuance, sale and delivery of the Bond.

14. Repeal of Conflicting Resolutions. All resolutions or parts of resolutions in conflict herewith are repealed.

15. Effective Date. This Resolution shall take effect immediately.

EXHIBIT A**REGISTERED****REGISTERED****No. R-1****June 5, 2006**

UNITED STATES OF AMERICA
COMMONWEALTH OF VIRGINIA
TOWN OF CHINCOTEAGUE
General Obligation Public Improvement Bond
Series 2006

The Town of Chincoteague, Virginia (the "Town"), for value received, promises to pay, to **Branch Banking and Trust Company**, or registered assigns or legal representative, the principal sum of **TWO MILLION DOLLARS (\$2,000,000)**, together with interest on the unpaid principal at the rate of 4.36% per year, calculated on the basis of a 360-day year of twelve 30-day months. Installments of combined principal and interest in the amount of \$15,157.15 shall be payable on the first day of each month, commencing July 1, 2006, with a final installment of combined principal and interest in the amount of \$15,157.15 due on June 1, 2021. If the date any payment is due with respect to this bond is not a Business Day (as hereinafter defined), the payment shall be made on the next succeeding Business Day. "Business Day" shall mean a day on which banking business is transacted, but not including a Saturday, Sunday or legal holiday, or any other day on which banking institutions are authorized by law to close in the Commonwealth of Virginia. Each installment shall be applied first to payment of interest accrued and unpaid to the payment date and then to principal. If not sooner paid, the final payment, consisting of all unpaid principal and interest, shall be due on June 1, 2021.

Principal, premium, if any, and interest shall be payable in lawful money of the United States of America by check or draft to the registered owner of this bond at its address as it appears in the records of the Town Treasurer, who is hereby appointed the registrar and paying agent, or any successor registrar and paying agent (the "Registrar"), except that the final payment due under this bond is payable upon surrender and presentation of this bond at the office of the Registrar.

This bond is issued pursuant to the Constitution and statutes of the Commonwealth of Virginia, including the Town Charter and the Public Finance Act of 1991. This bond has been authorized and issued pursuant to an ordinance and a resolution adopted by the Town Council on June 5, 2006, to provide funds to finance improvements to the Town's water supply main and to pay the costs of issuing this bond.

This bond is subject to prepayment prior to maturity, at the option of the Town, in whole on any interest payment date, upon payment of the principal amount of this bond to be prepaid plus a redemption premium of 1% and interest accrued and unpaid to the date fixed for redemption.

The full faith and credit of the Town are irrevocably pledged for the payment of principal of and premium, if any, and interest on this bond. Unless other funds are lawfully available and appropriated for timely payment of this bond, the Town Council shall levy and collect an annual ad valorem tax, over and above all other taxes authorized or limited by law and without limitation as to rate or amount, on all taxable property within the Town sufficient to pay when due the principal of and premium, if any, and interest on this bond.

The Town has designated this bond as a “qualified tax-exempt obligation” for the purpose of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

The Registrar shall treat the registered owner of this bond as the person exclusively entitled to payment of principal of and interest on this bond and the exercise of all rights and powers of the owner.

All acts, conditions and things required by the Constitution and statutes of the Commonwealth of Virginia to happen, exist or be performed precedent to and in the issuance of this bond have happened, exist and have been performed, and, together with all other indebtedness of the Town, is within every debt and other limit prescribed by the Constitution and statutes of the Commonwealth of Virginia.

IN WITNESS WHEREOF, the Town of Chincoteague, Virginia, has caused this bond to be to be signed by its Mayor or Vice Mayor, its seal to be affixed hereto and attested by the Town Clerk, and this bond to be dated June 5, 2006.

Attest:

Mayor, Town of Chincoteague, Virginia

Town Clerk, Town of Chincoteague, Virginia

**ORDINANCE AUTHORIZING THE ISSUANCE OF A GENERAL
OBLIGATION BOND OF THE TOWN OF CHINCOTEAGUE, VIRGINIA, IN A
PRINCIPAL AMOUNT NOT TO EXCEED \$2,000,000**

**BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF
CHINCOTEAGUE, VIRGINIA:**

1. It is determined to be necessary and expedient for the Town to finance improvements to the water supply main and to borrow money for such purpose and issue the Town’s general obligation bond therefor.

2. Pursuant to the Public Finance Act of 1991 and the Town Charter, there is authorized to be issued a general obligation bond of the Town in a principal amount not to exceed \$2,000,000 to provide funds to finance the acquisition.

3. The bond shall bear such date, mature at such time not to exceed twenty (20) years from its date, bear interest at such rate, be in such denomination and form, be executed in such manner and be sold at such time and in such manner as the Town Council may hereafter provide by appropriate resolution.

4. The bond shall be a general obligation of the Town for the payment of principal of and premium, if any, and interest on which its full faith and credit shall be irrevocably pledged.

5. The Town Clerk, in collaboration with the Town Attorney, is authorized and directed to see to the immediate filing of a certified copy of this ordinance in the Circuit Court of Accomack County, Virginia.

6. This ordinance shall take effect immediately.

ADOPTED this 5th day of June, 2006.

APPROVED

Mayor of the Town of Chincoteague

**RESOLUTION OF OFFICIAL INTENT TO REIMBURSE
EXPENDITURES WITH PROCEEDS OF A BORROWING**

WHEREAS, the Town of Chincoteague, Virginia (the “Borrower”), intends to finance improvements to the Borrower’s 16” water supply main (the “Project”); and

WHEREAS, PLANS FOR THE Project have advanced and the Borrower expects to advance its own funds to pay expenditures related to the Project (the “Expenditures”) prior to incurring indebtedness and to receive reimbursement for such Expenditures from proceeds of tax-exempt bonds or taxable debt, or both;

BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF CHINCOTEAGUE, VIRGINIA:

1. The Borrower intends to utilize the proceeds of tax-exempt bonds (the “Bonds”) or to incur other debt in an amount not currently expected to exceed \$2,000,000 to pay the costs of the Project.

2. The Borrower intends that the proceeds of the Bonds be used to reimburse the Borrower for Expenditures with respect to the Project made on or after the date that is no more than 60 days prior to the date of this Resolution. The Borrower reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the Bonds or other debt.

3. Each Expenditure was or will be, unless otherwise approved by bond counsel, either (a) of a type properly chargeable to a capital account under general federal

income tax principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance with respect to the Bonds, (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a party that is not related to or an agent of the Borrower so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the Borrower.

4. The Borrower intends to make a reimbursement allocation, which is a written allocation by the Borrower that evidences the Borrower's use of proceeds of the Bonds to reimburse an Expenditure, no later than 18 months after the later of the date on which the Expenditure is paid or the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid. The Borrower recognizes that exceptions are available for certain "preliminary expenditures," costs of issuance, certain de minimis amounts, expenditures by "small issuers" (based on the year of issuance and not the year of expenditure) and expenditures for construction of at least five years.

5. The Borrower intends that the adoption of this resolution confirms the "official intent" within the meaning of Treasury Regulations Section 1.150-2 promulgated under the Internal Revenue Code of 1986, as amended.

6. This resolution shall take effect immediately upon its passage.

Adopted June 5, 2006.

Attest:

Mayor, Town of Chincoteague, Virginia

Town Clerk, Town of Chincoteague, Virginia

11. Scheduling of Public Meeting to Address Scheduled Bridge Openings.

Mayor Tarr explained that the U.S. Coast Guard has extended the comment period regarding the scheduled bridge openings for thirty days, ending June 30th. He added that the U.S. Coast Guard will hold a public meeting concerning this issue, but that a date and time has not yet been scheduled.

Councilman Wolffe stated that he was concerned about having the meeting at the end of June so close to the end of the comment period. Councilman Wolffe also stated that the public may pick up a comment sheet at the Town Office and/or bring written comments to the Town Office to be mailed to the U.S. Coast Guard.

12. Alternative to Ed McMahon Public Meeting.

Mayor Tarr explained that the Town has been actively trying to arrange a public meeting for a presentation by Mr. Ed McMahon for longer than a year. He stated that all efforts have been unsuccessful to date. Mayor Tarr stated that Mr. McMahon will not be able to

give a presentation in the near future, but does offer an alternative speaker with whom he has co-authored a publication.

Councilman Wolffe recommended waiting until Mr. McMahon could be scheduled. He further recommended that Council try to schedule the meeting with Mr. McMahon before the end of the year. It was the consensus of Council to accept Councilman Wolffe's recommendations as stated above. Mayor Tarr asked Mr. Jeffries and Town Manager Ritter to continue trying to schedule a meeting date with Mr. McMahon.

13. *Change of Date for 3 July 2006 Regular Meeting.*

Mayor Tarr stated that due to the July 4th holiday weekend and the fireworks display at the Firemen's Carnival on Monday, July 3rd, he is requesting that the date for the regular July Council meeting be changed to July 10th.

Councilman Howard motioned, seconded by Vice Mayor Conklin, to accept the change in the date for the regular July Council meeting from July 3 to July 10, 2006. The motion was unanimously approved.

14. *Budget & Personnel Committee Recommendations.*

- **Waste Disposal-** Vice Mayor Conklin stated that between April 1 and October 31 (seven months), the Town was currently paying \$5,136 per month for an extra trash pick-up each week at certain businesses and \$1,566 per month for cardboard recycling containers at certain businesses; the total for both services for seven months equals \$46,912. She stated that the Committee recommends reducing the services to three months – June, July and August which would result in an estimated savings of \$26,807.
- **Health Insurance-** Vice Mayor Conklin stated that the Committee considered an option for employee health insurance that would require the Town to contribute \$346 per month instead of the current \$335 per month to pay the entire premium for a single subscriber. She added that the Committee agreed to also recommend for consideration by Council the \$11 increase in the Town's contribution per month toward the employee's health insurance.

Councilman Wolffe motioned, seconded by Councilman Mason, to accept both recommendations of the Budget and Personnel Committee as stated above. The motion was unanimously approved.

15. *Other Matters.*

- Town Manager Ritter thanked Council for the opportunity to serve the constituents and the Council.
- Councilman Mason thanked Council and the citizens for the opportunity to serve them during the past four years of his term.

16. Closed Meeting in Accordance with Section 2.2-3711(A)(1) of the Code of Virginia for Discussion of Personnel Matters.

Councilman Howard motioned, seconded by Councilman Mason, to convene a closed meeting under Section 2.2-3711(A)(1) of the Code of Virginia to discuss personnel matters. The motion was unanimously approved.

Vice Mayor Conklin motioned, seconded by Councilman Mason, to reconvene in regular session. The motion was unanimously approved.

Councilman Howard motioned, seconded by Councilman Mason, to adopt a resolution of certification of the closed meeting.

WHEREAS, the Chincoteague Town Council has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3711(A)(1) of the Code of Virginia requires a certification by this Town Council that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Chincoteague Town Council hereby certifies that to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Town Council.

VOTE: Ayes- Conklin, Howard, Mason, Richardson, Ross, Wolffe

Nays- None

Absent- None

17. Recess of Meeting.

Vice Mayor Conklin motioned, seconded by Councilwoman Richardson, to recess the meeting until June 15, 2006 at 7:30 pm. The motion was unanimously approved.

Mayor

Town Manager